

## Department of Energy

## § 611.105

in accordance with 40 U.S.C. sections 3141-3144, 3146, and 3147;

(n) Completed Form SF-LLL, as required by 10 CFR Part 601; and

(o) Other information, as determined necessary by DOE.

### § 611.102 Eligible project costs.

(a) Eligible costs are:

(1) Those costs that are reasonably related to the reequipping, expanding, or establishing a manufacturing facility in the United States to produce qualifying advanced technology vehicles or qualifying components;

(2) Costs of engineering integration performed in the United States for qualifying vehicles or qualifying components;

(3) Costs for payment with loan proceeds that are incurred, but not yet paid by the borrower, after a substantially complete application has been submitted to DOE; and

(4) Costs incurred after closing of the loan.

(b) In determining the overall total cost of an Eligible Project, DOE and the applicant may include significant costs already incurred and capitalized by the applicant in accordance with Generally Accepted Accounting Principles and these costs may be considered by DOE in determining the Borrower's contribution to total project costs.

### § 611.103 Application evaluation.

(a) *Eligibility screening.* Applications will be reviewed to determine whether the applicant is eligible, the information required under § 611.101 is complete, and the proposed loan complies with applicable statutes and regulations. DOE can at any time reject an application, in whole or in part, that does not meet these requirements.

(b) *Evaluation criteria.* Applications that are determined to be eligible pursuant to paragraph (a) of this section shall be subject to a substantive review by DOE based upon factors that include, but are not limited to, the following:

(1) The technical merit of the proposed advanced technology vehicles or qualifying components, with greater weight given for factors including, but not limited to:

(i) Improved vehicle fuel economy above that required for an advanced technology vehicle;

(ii) Potential contributions to improved fuel economy of the U.S. light-duty vehicle fleet;

(iii) Likely reductions in petroleum use by the U.S. light-duty fleet; and

(iv) Promotion of use of advanced fuel (e.g., E85, ultra-low sulfur diesel).

(2) Technical Program Factors such as economic development and diversity in technology, company, risk, and geographic location.

(3) The adequacy of the proposed provisions to protect the Government, including sufficiency of Security, the priority of the lien position in the Security, and the percentage of the project to be financed with the loan.

(4) In making loans to those manufacturers that have existing facilities, priority will be given to those facilities that are oldest or have been in existence for at least 20 years even if such facilities are idle at the time of application.

### § 611.104 [Reserved]

### § 611.105 Agreement.

(a) Only an Agreement executed by a duly authorized DOE Contracting Officer can contractually obligate the government to make a loan made by and through the Federal Financing Bank with the full faith and credit of the United States government on the principal and interest.

(b) DOE is not bound by oral representations made during the Application stage, or during any negotiation process.

(c) No funds obtained from the Federal Government, or from a loan or other instrument guaranteed by the Federal Government, may be used to pay administrative fees, or other fees charged by or paid to DOE relating to the section 136 loan program.

(d) Prior to the execution by DOE of an Agreement, DOE must ensure that the following requirements and conditions, which must be specified in the Agreement, are satisfied:

(1) The Borrower is a Eligible Applicant as defined in this part;

(2) The Agreement is for an Eligible Project as defined in this part;